

NURSING HOME QUALITY AND FINANCIAL ACCOUNTABILITY

ASSURING QUALITY CARE FOR OUR MOST VULNERABLE SENIORS

There are currently 240 nursing care facilities in Connecticut—with a total of approximately 28,000 beds. The majority of Connecticut nursing homes are for-profit corporations, operating as chains at multiple locations.

The recent problems with Haven Health Care and the current investigation of Marathon Health Care by the Department of Social Services (DSS) raise questions about how the nursing home industry is regulated—specifically, are nursing home residents receiving the high quality care that they deserve, and are Connecticut taxpayer dollars being spent wisely?

Connecticut spends more than \$1.3 billion annually on nursing homes and is ranked fourth in the nation in per-capita spending. But Connecticut is not getting the high quality of care that the spending suggests. And the demand for long-term care is expected to rise dramatically with the aging of baby boomers.

PROPOSALS

The Senate Democrats' proposals for dealing with the crisis in our nursing homes fall into two inter-related categories: Quality of Care and Financial Accountability. Improvements in these areas are essential not only to assure that our most vulnerable seniors are receiving the highest quality care, but also to assure the taxpayers of Connecticut that the more than \$1.3 billion that the state pays in nursing home fees is being appropriately spent and accounted for.

TO IMPROVE QUALITY OF CARE

Update Staffing Requirements

Connecticut's staffing requirements are woefully outdated, having been put in place more than 25 years ago. The requirement of 1.9 hours of care per day per patient is inadequate—less than half of what the Centers for Medicare & Medicaid Services' recommends—and based on an outmoded method of calculating appropriate care. Senate Democrats propose moving to a model based on staff-to-resident ratios.

Impose More Stringent Licensing and Inspection Requirements or Joint Commission on Accreditation of Health Care Organizations (JCAHO) Accreditation

The evidence is clear that our current licensing and inspection requirements fail to protect adequately nursing home patients. It has been reported, for example, that many of Haven's homes had been cited for patient bed sores and dehydration and that reports of patient neglect had been made to DSS; yet the homes continued to operate. The Senate Democrats will explore requiring nursing home accreditation through an independent outside entity such as JCAHO.

Issue Nursing Home Report Cards

A consumer-oriented nursing home report card will help seniors and their families make informed decisions when choosing a nursing home. Currently data is collected by different agencies and the information is not easily accessible to the public. A good model for such a report card is that used in Minnesota. Nursing homes are rated in such areas as:

- Hours of direct care
- Staff retention
- Temporary staffing agency use
- State inspection results
- Proportion of single rooms

The report card would be prepared by the Department of Public Health (DPH) and made available on its Web site.

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Create a Long-Term Care Trust Fund

Our Money Follows the Person initiative is expected to result in savings of \$35,000/person/year. Senate Democrats propose depositing all such savings in a Long Term Care Trust Fund to help plan for and address the needs of our elderly population. This is especially important as the baby boomer generation is reaching retirement age and our elderly population will be seeing tremendous growth. Planning for this population bubble is extremely important, and the Trust Fund will help us assure that Connecticut is prepared for the needs of tomorrow's seniors.

TO ASSURE FINANCIAL ACCOUNTABILITY

Create a True Nursing Home Oversight Board

About 10 years ago, the General Assembly created the Nursing Home Financial Advisory Committee. This Committee has not been active or effective in assuring nursing home financial accountability. Senate Democrats propose revamping the membership, duties and powers of the Committee, including:

- Changing the Committee to an Oversight Board
- Having the State Comptroller serve as chair of the Board
- Adding the State Health Care Advocate, the Long Term Care Ombudsman and representatives of workers and consumers
- Mandating reporting to the Board by nursing homes and by the Commissioners of DSS and DPH
- Providing staffing to the Board and funding to hire accountants and auditors as needed

Revamp Nursing Home Financial Reporting Requirements

One of the lessons of the Haven situation is that to get a true picture of nursing home costs, spending and funding needs, it is essential that fiscal reporting include the home itself and its related corporate entities. Senate Democrats propose requiring such expanded reporting by nursing homes in its DSS submissions and in its submissions to the new oversight board.

Create a State-Managed Medicaid-Pending Pool

Funding mechanisms and procedures contribute to the problems at nursing homes. An important example of this is the lengthy procedure required to validate Medicaid eligibility. Patients can be in nursing homes for as long as 9 months while this process takes place. Although eventually made whole, the nursing home is not reimbursed during this time, and many have to take out bank loans to cover expenses. That means that when the reimbursement is made, some of the money that could be going to patient care is paying interest on the loan.

To address this problem, Senate Democrats propose a state Medicaid—Pending Pool from which nursing homes would be paid until the Medicaid funding is received. In effect, this would be a no-interest advance from the state that would be paid back to the state upon Medicaid certification and payment.